



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING




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TO: State Board of Education

FROM: Michael P. Flanagan, Chairman 

SUBJECT: Education Legislation Update

During the last month the Legislature has worked on a number of issues, but their primary focus has been on budget issues. As the budget cycle comes to a conclusion will continue working with the Governor's Office and the Legislature to help ensure better departmental budget and School Aid appropriation legislation.

In addition to budget items, a number of other bills have been active, which are detailed below.

**School for the Blind Legislation.** At the May 9, 2006 State Board of Education meeting, HB 5354, introduced by Representative Mike Murphy (D-Lansing) was discussed. This legislation authorizes the sale of the Lansing School for the Blind property. The State Board adopted a motion requesting that 100 percent of the funds for the School for the Blind property be used for the Michigan School for the Blind Trust Fund. Initially, it appeared that the Senate would not accept such language. Then, in a hectic afternoon session on May 24, the Senate adopted an amendment that required 95 percent of the sale proceeds to the Michigan School for the Blind trust fund to be "used for the support of Camp Tuhsmeheeta in Greenville, Michigan." MDE staff tried to correct this language to make it reflect the State Board's motion, but the amendment had been adopted and there was no chance to revisit the language without the threat of losing the proceeds to the General Fund. Clearly, the good news is that 95 percent of the proceeds of the sale are going to the trust fund. The bad news is that this language will be restrictive. The legislation is currently on the Governor's desk awaiting her signature.

**65 Percent Classroom Expenditure Requirement.** The House Education Committee has placed HB 4975 on its calendar. This is a bill introduced by Representative Hoogendyk (R-Portage) that would require 65 percent of a school district's budget to be spent on classroom instruction. While no discussion on the bill has taken place, it appears there will be an effort to move the legislation.

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The Department has many concerns with this bill, including what appear to be prohibitive administrative costs. This legislation forces many “apple and orange” comparisons regarding instructional costs versus administrative costs, e.g., an urban school district may not have nearly the transportation costs as a rural school district in the Upper Peninsula, yet these costs would all be considered administrative costs, clearly putting the rural school district at a disadvantage.

Also, under this bill, activities such as early childhood education would not be included as instructional time, yet data indicates use of such funds for this purpose will pay dividends in academic achievement. The Department will closely watch this legislation.

**Amendments to Labor Day Requirement.** Last year, legislation was enacted that requires public schools in Michigan to begin the start of the school year after Labor Day. The only exemptions are: areas where there is an existing labor contract, schools that are in an International Baccalaureate program, or school that incorporate year round school. HB 5977, a bill introduced by Representative Moolenaar (R-Midland), would amend this law to do two things: 1) authorize ISDs to begin programs or classes before Labor Day if a local school district's labor agreement allows classes before Labor Day, and 2) permit an exemption for schools with advanced placement programs that meet specific requirements. Representative Moolenaar has fast-tracked the bill so that it can be enacted before the start of the next school year. This bill has passed in the House and is currently on the Senate floor.

**Budget Bills.** Both the Department's budget and the school aid budget are in conference committee. The key to the Department's budget is the question of how much General Fund money will be available. The House version of the Department's budget is \$2 million over the Governor's and the Senate's proposals. Issues regarding the school aid budget will not be finalized until the final foundation agreements are made – which now range from \$200 to \$235 increases per student. As indicated above, we will continue to work with the Legislature, the Governor's Office and the Office of the Budget to try to craft two quality budgets.

If you have questions regarding these or other legislative matters, please do not hesitate to contact Bob Morris or myself.